

REMARKS

Applicant respectfully requests reconsideration of the instant application in view of the amendments, herein, and the following remarks:

The following claims are *pending*: 1-5, 7-21 and 26-31.

The following claims are *independent*: 1, 16 and 21.

The following claims have previously been *cancelled* without prejudice or disclaimer: 6 and 22-25.

Please *cancel* the following claim without prejudice or disclaimer: 2.

Please *add new* claims 27-31 and please *amend* claims 1, 16, 21 and 26; although these claims have been amended herein to provide clarification, correct typographical inaccuracies and/or informalities, and/or to better track practical/commercial implementations/practices (hereinafter “amendment,” “amendments,” and/or “amended”), Applicant submits that the originally filed claims are patentable and reserves the right to pursue the originally filed claims (as well as any claims dependent therefrom) at a later time and/or in one or more continuation/divisional application(s). Applicant submits that these new claims and/or claim amendments are supported throughout the originally filed specification and that no new matter has been added by way of these amendments.

Claim Rejections - 35 U.S.C. § 112

The Office Action rejected claims 1-5, 7-21 and 26 under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim

the subject matter that applicant regards as the invention. Although Applicant respectfully traverses these rejections, and submits that the noted claims all satisfy the requirements of 35 U.S.C. § 112, second paragraph, Applicant has amended these claims to further clarify the claim elements. Accordingly, Applicant respectfully requests reconsideration and withdrawal of the rejection and allowance of the claims.

Claim Rejections - 35 U.S.C. § 101

The Office Action has rejected claim 21 under 35 U.S.C. § 101 as directed to non-statutory subject matter. Applicant respectfully traverses this rejection. Applicant submits that there is no test for non-statutory subject matter that subjectively precludes the aforementioned claims. MPEP § 2106, Section IV, states “claims directed to nothing more than abstract ideas (such as mathematical algorithms), natural phenomena, and laws of nature are not eligible for patent protection.” MPEP § 2106 also discusses “[w]hile abstract ideas, natural phenomena, and laws of nature are not eligible for patenting, methods and products employing abstract ideas, natural phenomena, and laws of nature to perform a real-world function may well be.” Applicant submits that the elements recited in the claims are, in fact, directed to statutory subject matter and do not fall within the recognized Judicial Exceptions as merely abstract ideas (such as mathematical algorithms), natural phenomena, and/or laws of nature.

Although Applicant respectfully traverses the Examiner’s rejection and reserves the right to argue patentability of the claims in their original form at a later time, Applicant has amended independent claim 21 to further clarify the claimed elements. Amended

independent claim 21 recites, *inter alia*, “A non-transitory computer-readable medium having computer-executable program instructions residing thereon, wherein the computer-executable program instructions are issuable by a computer to: gather legal and reputational risk information”As such, Applicant submits amended claim 21 has specific structures directed to statutory subject matter for at least the reasons discussed above.

Should the Examiner maintain the rejection, Applicant respectfully requests that the Examiner provide specific explanation describing how claim 21 is allegedly directed to non-statutory subject matter. Accordingly, Applicant submits that claim 21 is directed to statutory subject matter, and respectfully requests reconsideration and withdrawal of the rejection and allowance of the claim.

Claim Rejections - 35 U.S.C. § 103

The Office Action rejected claims 1-5, 7-21 and 26 under 35 U.S.C. § 103(a), allegedly, as being unpatentable over Basch et al., US Patent No. 6,119,103 (hereinafter “Basch”), and in further view of Packwood, US Patent No. 7,006,992 (hereinafter “Packwood”).

Requirements to Establish Prima Facie Obviousness

The Supreme Court in *Graham v. John Deere Co. of Kansas City* prescribed that a *prima facie* showing of obviousness under 35 U.S.C. § 103 requires that, “the obviousness or nonobviousness of the subject matter [be] determined,” and details further requirements, commonly referred to as “Graham factors,” which include that “[1] the scope and content of the prior art [be] determined, [2] differences between the prior art and the claims at issue [be] ascertained, and [3] the level of ordinary skill in the pertinent art [be] resolved.”

Graham, 383 U.S. at 1, 17 (1966). To comply with the *Graham* factors, as introduced in *Graham* and reaffirmed in *KSR Intern. Co. v. Teleflex Inc.*¹, MPEP § 706.02(j) prescribes that a rejection under 35 U.S.C. § 103 should set forth:

- (A) the relevant teachings of the prior art relied upon, preferably with reference to the relevant column or page number(s) and line number(s) where appropriate;
- (B) the difference or differences in the claim over the applied reference(s);
- (C) the proposed modification of the applied reference(s) to arrive at the claimed subject matter; and
- (D) an explanation as to why the claimed invention would have been obvious to one of ordinary skill in the art at the time the invention was made.

The MPEP prescribes that, “when evaluating the scope of a claim, *every limitation in the claim must be considered*,” (§ 2106 II(C), emphasis added) and, “*All words in a claim must be considered in judging the patentability of that claim against the prior art.*” (§ 2143.03, emphasis added). Applicant submits that the pending rejection has failed to consider “every limitation in the claim” and “[a]ll words in [the] claim” in judging the patentability of the claim against the prior art by mischaracterizing claim elements and/or over-generalizing the applied reference(s). As with this Office Action, when the Examiner mischaracterizes and/or provides references that are missing claimed elements, then the Examiner has failed to fulfill MPEP § 706.02(j) requirements **(A) and (B)**, and as a consequence, has failed to establish a *prima facie* case of obviousness. 35 U.S.C. § 103.

¹ The “[*Graham*] factors continue to define the inquiry.” 550 U.S. 398 (2007).

Missing Claim Element(s)

Applicant submits the cited references (taken alone or in combination) do **not** discuss, do **not** render obvious, and are in fact missing at least the following element(s) as recited, *inter alia*, in amended independent claim 1:

A computer-implemented method for managing risk related to a financial transaction, the method comprising:

... gathering into a computer storage legal and reputational risk information related to a proposed financial transaction;

...

structuring with a processor the received transaction information according to risk quotient criteria associated with the gathered legal and reputational risk information

The Office Action asserts that the previously pending claim elements are shown in Packwood and alleges “Packwood teaches the step wherein the risk is at least one of a legal, regulatory, and reputational risk (See Packwood Column 10 line 60 - Column 11 line 15).” (Office Action, pg. 5, § 6).

Applicant respectfully disagrees with this characterization of Basch and Packwood and respectfully traverses the stated rejections based thereupon. Moreover, Applicant submits that Packwood does not discuss or render obvious at least the above elements in the claims as amended.

Contrary to the Examiner’s assertion, Applicant submits that Packwood discusses risk factors for managing operations of a business and is different from the claimed “... legal and reputational risk information related to a proposed financial transaction” For example, Applicant notes that Packwood discusses in the context of a bank operation, risk factors such as “open audit and regulatory findings over 12 months old” associated with a bank’s branch

operations and “Legal Risk Self Assessment” associated with the bank’s finance department operations. (Packwood, col. 11 - 12, table). Applicant further notes that values for Packwood’s risk factors are actual numbers based on the operations. For example, the values of the two risk factors discussed above are “1” and “green” respectively. As such, Applicant submits that Packwood merely discusses gauging the performance of different operations of a business in the risk factor areas, and in no way discusses or suggests the claimed “... legal and reputational risk information related to a proposed financial transaction,” let alone “... structuring ... the received transaction information according to risk quotient criteria associated with the gathered legal and reputational risk information ...” as explicitly recited in amended independent claim 1.

For at least the reasons discussed above, Applicant submits that the pending rejection has mischaracterized the language of the claim element(s) and/or the applied reference(s) and, thus, has not established a *prima facie* case of obviousness. Accordingly, Applicant respectfully requests reconsideration and withdrawal of the rejection and allowance of the claim.

Although of different scope than amended independent claim 1, Applicant submits amended independent claim 16 is also patentable over the applied references, taken alone or in combination. For example, amended independent claim 16 recites, *inter alia*:

A computerized system for managing risk associated with a financial transaction, the system comprising:
gather legal and reputational risk information related to a proposed financial transaction;
...

structure the received transaction information according to risk quotient criteria associated with the gathered risk information

Applicant submits at least the noted claim elements of amended independent claim 16 are patentably distinct over the cited references (taken alone or in combination) for at least similar reasons as discussed above when identifying deficiencies in the art of record with regard to amended independent claim 1. Accordingly, Applicant respectfully requests reconsideration and withdrawal of these rejections and allowance of the claim.

Although of different scope than amended independent claims 1 and 16, Applicant submits amended independent claim 21 is also patentable over the applied references, taken alone or in combination. For example, amended independent claim 21 recites, *inter alia*:

A non-transitory computer-readable medium having computer-executable program instructions residing thereon, wherein the computer-executable program instructions are issuable by a computer to:

gather legal and reputational risk information related to a proposed financial transaction;

...

structure the received transaction information according to risk quotient criteria associated with the gathered risk information

Applicant submits at least the noted claim elements of amended independent claim 21 are patentably distinct over the cited references (taken alone or in combination) for at least similar reasons as discussed above when identifying deficiencies in the art of record with regard to amended independent claims 1 and 16. Accordingly, Applicant respectfully requests reconsideration and withdrawal of these rejections and allowance of the claim.

Improper Official Notice

With regard to the rejection of claims 19, 20 and 26, Applicant respectfully traverses the three instances of Official Notice taken by the Examiner and submits that the Examiner has merely asserted “using a personal computer and/or a wireless handheld device to access networks are old and well known in the art ...” and “... risk ratings indicative of liability risk (which includes an amount of money to defend all adverse position or a fine) are old and well known” (Office Action, pg. 8, § 6) but fails to support this assertion that the claimed “... the network access device is a personal computer,” “... the network access device is a wireless handheld device,” and “... the risk quotient is indicative of an amount or monetary cost of defending an adverse position or a fine” would have been well known in relation to the other elements of the claims and within the context of the claims as a whole to one of ordinary skill in the art at the time the invention was made.

To properly support such an assertion, the Examiner must: (a) provide evidentiary support (MPEP § 2141 (II)(C) states, “Any obviousness rejection should include, either explicitly or implicitly in view of the prior art applied, an indication of the level of ordinary skill.”); (b) establish the appropriate indication of ordinary skill in the art (MPEP § 2141 (II)(C) states, “Any obviousness rejection should include, either explicitly or implicitly in view of the prior art applied, an indication of the level of ordinary skill.”); and (c) provide an objective rationale for modifying and/or using the applied references and/or the official notice (MPEP §2141 (III) states, inter alia, “The key to supporting any rejection under 35 U.S.C. 103 is the clear articulation of the reason(s) why the claimed invention would have

been obvious,”), making all such assessments without impermissible hindsight, picking and choosing, mischaracterizations and over-generalizations.

(a). Evidentiary Support. Applicant submits that the Examiner fails to provide explicit evidentiary support as to why the relevant claim elements of the noted claims would be allegedly old and well known to one of ordinary skill in the art at the time the invention was made. Per MPEP § 2144.03.A, “[i]t would not be appropriate for the examiner to take official notice of facts without citing a prior art reference where the facts asserted to be well known are not capable of instant and unquestionable demonstration as being well-known” (emphasis original). Applicant respectfully submits that the Examiner fails to provide explicit evidentiary support as to why “... the network access device is a personal computer,” “... the network access device is a wireless handheld device,” and “... the risk quotient is indicative of an amount or monetary cost of defending an adverse position or a fine” would be allegedly obvious to one of ordinary skill in the art at the time the invention was made, as required by the MPEP.

(b). Indication of the level of ordinary skill. In addition to the aforementioned lack of evidentiary support, Applicant further submits that impermissible hindsight has been applied in asserting obviousness of the various claim elements without citing prior art or providing an indication of the level of ordinary skill. MPEP § 2141 (II)(C) states, “Any obviousness rejection should include, either explicitly or implicitly in view of the prior art applied, an indication of the level of ordinary skill.” The pending rejection asserts “... using a personal computer and/or a wireless handheld device to access networks are old and well known in the art” (see, Office Action, p. 8, § 6) but has provided no indication or discussion of which art is

described or the level of ordinary skill associated therewith. The rejection's reference to "the art" is overly general and, consequently, does not provide a specific indication of the level of ordinary skill pertinent to the claimed subject matter. MPEP § 2141.03 (III) states, "The importance of resolving the level of ordinary skill in the art lies in the necessity of maintaining objectivity in the obviousness inquiry." Applicant is unclear as to what exactly the Examiner is alleging with regard to the level of ordinary skill and, thus, are not in a position to provide a complete reply that is most suited to addressing the Examiner's concerns. As no indication of the level or ordinary skill has been provided, Applicant submits that the rejection applies impermissible hindsight and has not made a prima facie showing of obviousness. Should the Examiner maintain the rejection and/or the Official Notice, Applicant respectfully requests that he identify the pertinent art, discuss the level of ordinary skill alleged to be associated therewith at the time of the invention, and clarify why he believes the claimed subject matter would have been obvious to one possessing that level of skill.

(c). Objective Rationale. Applicant submits that the pending Official Notices have not provided sufficient objective rationale for modifying the applied references. By way of example only, Applicant notes that the pending rejection alleges, " a personal computer and/or a wireless handheld device to access networks are old and well known in the art [and] ... allow the user to efficiently and rapidly communicate with the network. " (Office Action, p. 8, § 6). Applicant respectfully submits that the alleged rationales for the proposed modifications of the applied references provided here and throughout the pending rejection are overly general, which do not point beyond Basch to a modification of itself or a combination with the allegedly obvious "a personal computer and/or a wireless handheld

device.” Applicant is unclear how the Examiner believes it is obvious to one of ordinary skill in the art to modify the general alleged utility stated in Basch merely because “it would have helped the user facilitate faster and more efficient communication with the network [or determine if the risk is worth insuring].” Applicant submits that merely citing an alleged utility of a reference’s own system, without providing any attendant explanation or articulation of how that alleged utility points beyond the reference to the modifications of the references proposed in the pending rejection, is insufficient to support an assertion of obviousness under 35 U.S.C. § 103. MPEP §2141 (III) states, inter alia, “The key to supporting any rejection under 35 U.S.C. 103 is the clear articulation of the reason(s) why the claimed invention would have been obvious,” and that, “there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness.” Applicant submits that, by merely quoting alleged rationales of the applied references, the pending rejection has failed to provide a “clear articulation of the reason(s)” or an “articulated reasoning with some rational underpinning” for the proposed modifications of the references. Applicant further requests that the Examiner clarify exactly why he believes the specific modifications, taken in relation to the claims as wholes, would allegedly have been obvious to one of ordinary skill in the art at the time the invention was made.

Accordingly, Applicant respectfully requests reconsideration and withdrawal of the Official Notices (and rejections based thereupon) and allowance of the claims.

Dependent Claims

Claims 2-5, 7-17, 17-20 and 26 and newly added claims 27-32 which depend, directly or indirectly, from independent claims 1, 16 and 21 are all patentable over the cited references

(taken alone or in combination) for at least the reasons discussed above when identifying deficiencies in the Office Action's application of the art of record with regard to the independent claims from which they respectively depend. Accordingly, Applicant respectfully requests reconsideration and withdrawal of these rejections and allowance of the claim

CONCLUSION

Applicant asserts that the above remarks, which distinguish the claims over the cited reference(s), pertained only to noted claim element portions. These remarks are believed to be sufficient to overcome the prior art to this Office Action (and/or any previous office action(s)) (hereinafter "Office Action(s)"). While many other claim elements and/or bases for rejection were not discussed, as they have been rendered moot based on the above amendments and/or remarks, Applicant asserts that all such remaining and not discussed claim elements and/or bases for rejection, all, also are distinguished over the prior art, and Applicant reserves the opportunity to more particularly traverse, remark and/or distinguish over any such remaining claim elements and/or bases for rejection at a later time, should it become necessary. Further, any remarks that were made in response to the Office Action(s)' objection and/or rejection as to any one claim element, and which may have been re-asserted as applying to other Office Action(s) objection(s) and/or rejection(s) as to any other claim element(s), any such re-assertion(s) of remarks are not meant to imply that there is commonality about the structure, functionality, means, operation, and/or scope of any of the claim element(s), and no such commonality is admitted as a consequence of any such re-assertion(s) of remarks. Consequently, the reference(s) cited the Office Action(s) do not result

in the claimed invention(s), there was/is no motivation, basis and/or rationale for such a combination of references (i.e., cited references do not teach, read on, suggest, or result in the claimed invention(s)), and the claimed invention(s) are not admitted to be prior art. Also, Applicant does not accept, admit, and/or concede to any assertions, (mis)characterizations (e.g., of claims, references, and/or otherwise), and/or Official Notice(s) in the Office Action(s). As such, Applicant does not concede that any claim element(s) have been anticipated and/or rendered obvious by any of the cited reference(s) and/or any Official Notice in the Office Action(s). Thus, the Applicant respectfully submits that the supporting remarks and claimed inventions, claims 1-5, 7-21 and 26-31, all: overcome all rejections and/or objections as noted in the Office Action(s), are patentable over and discriminated from the cited reference(s), and are in a condition for allowance. Accordingly, Applicant respectfully requests reconsideration and withdrawal of the rejection(s) and/or objection(s), and allowance of all claims.

Authorization

Applicant hereby authorizes and requests that the Commissioner charge any additional fees that may be required for consideration of this and/or any accompanying and/or necessary papers to Deposit Account No. 03-1240, Order No. 17209-454. In the event that an extension of time is required (or which may be required in addition to that requested in a petition for an extension of time), Applicant requests that the Commissioner grant a petition for an extension of time required to make this response timely, and, Applicant hereby authorizes and requests that the Commissioner charge any fee or credit any overpayment for such an extension of time to Deposit Account No. 03-1240, Order No. 17209-454.

In the event that a telephone conference would facilitate examination of the application in any way, Applicant invites the Examiner to contact the undersigned at the number provided.

Respectfully submitted,
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Dated: August 17, 2010

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